Honorable Karen Perdue Commissioner Department of Health and Social Services P.O. Box 110601 Juneau, Alaska 99811-0601

Dear Commissioner Perdue:

We have determined that Alaska's application for Fiscal Year (FY) 2002 funds, under Part C of the Individuals with Disabilities Education Act (Part C), can be approved. Therefore, I am enclosing your State's Part C grant award.

The approval is based upon our receipt of your assurances for FY 2002. This includes the assurance from the Department of Health and Social Services that the statewide system of early intervention services required by Part C and its implementing regulations is in effect.

Part III of the FY 2002 application for Part C funds requested updated information about each State's restricted indirect cost rate. Based on that form and a letter from your agency dated April 23, 2001, we understand that you have a cost allocation plan approved by your cognizant Federal agency, the U.S. Department of Health and Human Services. However, we continue to have questions regarding whether that plan is consistent with the requirements of the restricted indirect cost rate regulations at 34 CFR §§ 76.563 – 76.569. Please contact us within 30 days with the name and number of the person in your agency responsible for negotiating the plan, and someone from our Department who works on indirect costs will call that person to discuss this issue.

The enclosed grant award for FY 2002 is made with the continued understanding that this Office may, from time to time, require clarification of information within your application and appendices, if necessary. These inquiries are needed to allow us to appropriately carry out our administrative responsibilities related to Part C.

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We appreciate your ongoing commitment to the provision of quality early intervention services to infants and toddlers with disabilities and their families.

Sincerely,

Stephanie S. Lee Director Office of Special Education Programs

Enclosure

cc: Jane Atuk